

Message

From: Seneca, Roy [Seneca.Roy@epa.gov]
Sent: 1/19/2022 8:50:06 PM
To: Opila, MaryCate [Opila.MaryCate@epa.gov]; Swan, Russell [Swan.Russell@epa.gov]; Smith, William (Region 3) [smith.william@epa.gov]
CC: Melvin, Karen [Melvin.Karen@epa.gov]; Armstrong, Joan [Armstrong.Joan@epa.gov]; Nitsch, Chad [Nitsch.Chad@epa.gov]; White, Terri-A [White.Terri-A@epa.gov]; Landis, Jeffrey [Landis.Jeffrey@epa.gov]; Entwistle, Paul [Entwistle.Paul@epa.gov]; Hall, Kristen [hall.kristen@epa.gov]; Fernandez, Cristina [Fernandez.Cristina@epa.gov]; Talley, David [Talley.David@epa.gov]; Entwistle, Paul [Entwistle.Paul@epa.gov]; Swan, Russell [Swan.Russell@epa.gov]; Smith, William (Region 3) [smith.william@epa.gov]; Mastro, Donna [Mastro.Donna@epa.gov]; Sternberg, David [Sternberg.David@epa.gov]
Subject: RE: Media Inquiry: CD with Scrubgrass plant in Pa.

Thank you MaryCate. This is very helpful. -- Roy

From: Opila, MaryCate <Opila.MaryCate@epa.gov>
Sent: Wednesday, January 19, 2022 3:37 PM
To: Seneca, Roy <Seneca.Roy@epa.gov>; Swan, Russell <Swan.Russell@epa.gov>; Smith, William (Region 3) <smith.william@epa.gov>
Cc: Melvin, Karen <Melvin.Karen@epa.gov>; Armstrong, Joan <Armstrong.Joan@epa.gov>; Nitsch, Chad <Nitsch.Chad@epa.gov>; White, Terri-A <White.Terri-A@epa.gov>; Landis, Jeffrey <Landis.Jeffrey@epa.gov>; Entwistle, Paul <Entwistle.Paul@epa.gov>; Hall, Kristen <hall.kristen@epa.gov>; Fernandez, Cristina <Fernandez.Cristina@epa.gov>; Talley, David <Talley.David@epa.gov>; Entwistle, Paul <Entwistle.Paul@epa.gov>; Swan, Russell <Swan.Russell@epa.gov>; Smith, William (Region 3) <smith.william@epa.gov>; Mastro, Donna <Mastro.Donna@epa.gov>
Subject: RE: Media Inquiry: CD with Scrubgrass plant in Pa.

Hi Roy,

Here is ARD's proposed answer. Let us know if you need anything else.

The consent decree referenced by the reporter (<https://www.govinfo.gov/app/details/FR-2017-01-06/2017-00056>) was a result of EPA failing to respond in writing to a petition submitted by the Sierra Club regarding the Scrubgrass Plant. Under the terms of the proposed consent decree, EPA agreed to sign its response granting or denying the petition filed by Sierra Club on or before May 12, 2017.

- EPA responded to the petition on May 12, 2017, satisfying the requirements of the consent decree. The response can be found here:
 - o <https://www.epa.gov/title-v-operating-permits/2017-order-responding-2016-petition-object-scrubgrass-operating-permit>

Thanks,
Mary Cate



Mary Cate Opila
Air Permits Branch Chief
Pronouns: she, her, hers
US EPA Mid-Atlantic Region
Phone 215-814-2041

Email opila.marycate@epa.gov



From: Mastro, Donna <Mastro.Donna@epa.gov>

Sent: Wednesday, January 19, 2022 11:25 AM

To: Seneca, Roy <Seneca.Roy@epa.gov>; Swan, Russell <Swan.Russell@epa.gov>; Smith, William (Region 3) <smith.william@epa.gov>

Cc: Melvin, Karen <Melvin.Karen@epa.gov>; Armstrong, Joan <Armstrong.Joan@epa.gov>; Nitsch, Chad <Nitsch.Chad@epa.gov>; White, Terri-A <White.Terri-A@epa.gov>; Landis, Jeffrey <Landis.Jeffrey@epa.gov>; Entwistle, Paul <Entwistle.Paul@epa.gov>; Hall, Kristen <hall.kristen@epa.gov>

Subject: RE: Media Inquiry: CD with Scrubgrass plant in Pa.

Roy- ARD should answer that. MaryCate Opila as permits manager.



Donna L. Mastro

Deputy Regional Counsel for Enforcement

Office of Regional Counsel, Region 3

US EPA Mid-Atlantic Region

Phone 215-814-2777

Mobile 267-273-5407

Email mastro.donna@epa.gov



From: Seneca, Roy <Seneca.Roy@epa.gov>

Sent: Wednesday, January 19, 2022 10:27 AM

To: Mastro, Donna <Mastro.Donna@epa.gov>; Swan, Russell <Swan.Russell@epa.gov>; Smith, William (Region 3) <smith.william@epa.gov>

Cc: Melvin, Karen <Melvin.Karen@epa.gov>; Armstrong, Joan <Armstrong.Joan@epa.gov>; Nitsch, Chad <Nitsch.Chad@epa.gov>; White, Terri-A <White.Terri-A@epa.gov>; Landis, Jeffrey <Landis.Jeffrey@epa.gov>; Entwistle, Paul <Entwistle.Paul@epa.gov>; Hall, Kristen <hall.kristen@epa.gov>

Subject: RE: Media Inquiry: CD with Scrubgrass plant in Pa.

Importance: High

Thank you to Donna, Russ and Bill, but I still need some help in translating the information Donna provided so that I can answer the reporter's main questions. Sorry, but I just don't understand it. The reporter is asking about the "final outcome" of the consent decree and whether there are outstanding regulatory issues. How can I answer this in more general language? Maybe Bill has some suggestions. Thanks. (I'm adding Kris Hall to this discussion.)

The reporter is asking: Environmentalists have protested the Title V air permit given to Scrubgrass resulting in this consent decree. <https://www.govinfo.gov/app/details/FR-2017-01-06/2017-00056> I'm wondering the final outcome of this agreement, as well as whether there are any outstanding regulatory issues EPA is deciding on relating to Scrubgrass.

EPA response:

From: Mastro, Donna <Mastro.Donna@epa.gov>

Sent: Wednesday, January 19, 2022 9:32 AM

To: Swan, Russell <Swan.Russell@epa.gov>; Smith, William (Region 3) <smith.william@epa.gov>; Seneca, Roy <Seneca.Roy@epa.gov>; Garcia, Beth <garcia.beth@epa.gov>

Cc: Melvin, Karen <Melvin.Karen@epa.gov>; Armstrong, Joan <Armstrong.Joan@epa.gov>; Nitsch, Chad <Nitsch.Chad@epa.gov>; White, Terri-A <White.Terri-A@epa.gov>; Landis, Jeffrey <Landis.Jeffrey@epa.gov>; Entwistle, Paul <Entwistle.Paul@epa.gov>

Subject: RE: Media Inquiry: CD with Scrubgrass plant in Pa.

Sorry- that CD relates to us acting on a Title V petition and is not substantive. I was involved with this facility with its MATs compliance and if I recall the title v petition too related to its MATS issues. They got an extra year of compliance for MATS due to the fact it is waste coal and CAA gave an extra year for "waste coal". PADEP is the one who made that argument.



Donna L. Mastro

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From: Swan, Russell <Swan.Russell@epa.gov>

Sent: Wednesday, January 19, 2022 9:07 AM

To: Smith, William (Region 3) <smith.william@epa.gov>; Seneca, Roy <Seneca.Roy@epa.gov>; Garcia, Beth <garcia.beth@epa.gov>

Cc: Melvin, Karen <Melvin.Karen@epa.gov>; Armstrong, Joan <Armstrong.Joan@epa.gov>; Nitsch, Chad <Nitsch.Chad@epa.gov>; White, Terri-A <White.Terri-A@epa.gov>; Landis, Jeffrey <Landis.Jeffrey@epa.gov>; Mastro, Donna <Mastro.Donna@epa.gov>; Entwistle, Paul <Entwistle.Paul@epa.gov>

Subject: RE: Media Inquiry: CD with Scrubgrass plant in Pa.

I'm unfamiliar with the facility. Unfortunately, it does not ring a bell.



Russell Swan, Chief

Air & Toxics Branch

Office of Regional Counsel

US EPA Mid-Atlantic Region

Phone 215-814-5387

Email swan.russell@epa.gov



From: Smith, William (Region 3)
Sent: Wednesday, January 19, 2022 8:57 AM
To: Seneca, Roy <Seneca.Roy@epa.gov>; Garcia, Beth <garcia.beth@epa.gov>
Cc: Melvin, Karen <Melvin.Karen@epa.gov>; Armstrong, Joan <Armstrong.Joan@epa.gov>; Nitsch, Chad <Nitsch.Chad@epa.gov>; White, Terri-A <White.Terri-A@epa.gov>; Landis, Jeffrey <Landis.Jeffrey@epa.gov>; Mastro, Donna <Mastro.Donna@epa.gov>; Swan, Russell <Swan.Russell@epa.gov>; Entwistle, Paul <Entwistle.Paul@epa.gov>
Subject: RE: Media Inquiry: CD with Scrubgrass plant in Pa.

Roy-

Re this press inquiry. I'm not familiar with the Scrubgrass CD regarding a PA facility, and could find only this reference in the Salients for Scrubgrass/Stronghold – an ARD item submitted by Paul Entwistle.

I'm copying Paul, and Donna Mastro and Russ Swan in case this rings a bell with them. (FYI here's the link to the 2017 public notice re the proposed CD...which might have been from HQ).



William C. Smith
Assistant Regional Counsel
US EPA Mid-Atlantic Region
Phone 215-814-2690
Email smith.william@epa.gov



1/7/2022	
Title:	Pennsylvania Bitcoin Mining Company Purchases Waste Coal Fired Power Plant
Author(s):	Paul Entwistle
Summary:	On November 2, 2021 Stronghold Digital Mining (Stronghold) closed its acquisition of the Panther Creek Energy Facility, an 80 MW waste coal fired power plant located in Nesquehoning, PA. Stronghold already owns the Scrubgrass Generating Plant, another waste coal facility in Venango County, PA. The company uses the plant to "mine" bitcoins, a form of digital cryptocurrency. Bitcoin miners use large amounts of electricity to power banks of computer hardware, which solve complex computations that occasionally result in the acquisition of a new bitcoin. The bitcoins can then be sold or used as digital currency, and a profit can be made if, among other factors, the electricity used is cheap enough. Due to the practice being made illegal in China, and the availability of relatively affordable power sources, cryptocurrency mining has recently expanded significantly in the area, including new acquisitions of sources in Pennsylvania, West Virginia, and New York. Cryptocurrency mining poses environmental concerns, as older power generating sources, often coal fired, may now be utilized for the practice even if their profitability in providing electricity for the power grid has been waning. Stronghold plans to expand their operations significantly and is currently in negotiations for buying a third Pennsylvania facility.

From: Seneca, Roy <Seneca.Roy@epa.gov>
Sent: Wednesday, January 19, 2022 8:29 AM
To: Garcia, Beth <garcia.beth@epa.gov>; Smith, William (Region 3) <smith.william@epa.gov>
Cc: Melvin, Karen <Melvin.Karen@epa.gov>; Armstrong, Joan <Armstrong.Joan@epa.gov>; Nitsch, Chad <Nitsch.Chad@epa.gov>; White, Terri-A <White.Terri-A@epa.gov>; Landis, Jeffrey <Landis.Jeffrey@epa.gov>
Subject: Media Inquiry: CD with Scrubgrass plant in Pa.
Importance: High

Beth and Bill– This is a media inquiry from an E&E News reporter covering cryptocurrency mining that originally went to HQ and HQ is asking the Region for input. It involves an EPA consent decree at this Scrubgrass facility in PA. Thanks for any help you can provide.

Reporter: Jael Holzman, Mining Reporter for E&E News

Inquiry: ...Here's the plant I discussed with you over the phone: the Scrubgrass plant in Pennsylvania is now a bitcoin mining facility powered by coal refuse. <https://www.post-gazette.com/business/powersource/2021/10/13/Stronghold-Digital-Mining-Pennsylvania-s-waste-coal-crypto-company-files-90M-IPO-bitcoin/stories/202110130140>

Environmentalists have protested the Title V air permit given to Scrubgrass resulting in this consent decree. <https://www.govinfo.gov/app/details/FR-2017-01-06/2017-00056>

I'm wondering the final outcome of this agreement, as well as whether there are any outstanding regulatory issues EPA is deciding on relating to Scrubgrass.

From: Nitsch, Chad <Nitsch.Chad@epa.gov>
Sent: Tuesday, January 18, 2022 5:06 PM
To: Seneca, Roy <Seneca.Roy@epa.gov>
Cc: Landis, Jeffrey <Landis.Jeffrey@epa.gov>; White, Terri-A <White.Terri-A@epa.gov>; Smith, William (Region 3) <smith.william@epa.gov>; Garcia, Beth <garcia.beth@epa.gov>
Subject: FW: Another coal-to-crypto plant with EPA history

Roy,

Please reach out to ECAD on the facility listed below.

Thanks,



Chad Nitsch
Public Affairs Director
US EPA Mid-Atlantic Region
Phone 215-814-5434
Email nitsch.chad@epa.gov



From: Carroll, Timothy <Carroll.Timothy@epa.gov>

Sent: Tuesday, January 18, 2022 4:01 PM

To: Hull, George <Hull.George@epa.gov>; Millett, John <Millett.John@epa.gov>; Nitsch, Chad <Nitsch.Chad@epa.gov>

Subject: FW: Another coal-to-crypto plant with EPA history

Hi all,

See below, we've been working with this E&E reporter on some reporting around cryptocurrency mining and she had a specific question about an EPA consent decree at this Scrubgrass facility in PA.

George, is there any update/outcome we can share on the consent decree? Region 3 and OAR, can you let me know if there's anything else we can share about enforcement/engagement/regulation related to this facility?

Tim Carroll (he/him)
Deputy Press Secretary
Environmental Protection Agency
202-384-7510 (mobile)
Twitter: [@EPAPressOffice](https://twitter.com/EPAPressOffice)

From: Jael Holzman <jholzman@eenews.net>

Sent: Tuesday, January 18, 2022 3:34 PM

To: Hamilton, Lindsay <Hamilton.Lindsay@epa.gov>

Cc: Carroll, Timothy <Carroll.Timothy@epa.gov>

Subject: Another coal-to-crypto plant with EPA history

Hi Lindsay,

Here's the plant I discussed with you over the phone: the Scrubgrass plant in Pennsylvania is now a bitcoin mining facility powered by coal refuse. <https://www.post-gazette.com/business/powersource/2021/10/13/Stronghold-Digital-Mining-Pennsylvania-s-waste-coal-crypto-company-files-90M-IPO-bitcoin/stories/202110130140>

Environmentalists have protested the Title V air permit given to Scrubgrass resulting in this consent decree.

<https://www.govinfo.gov/app/details/FR-2017-01-06/2017-00056>

I'm wondering the final outcome of this agreement, as well as whether there are any outstanding regulatory issues EPA is deciding on relating to Scrubgrass.

Best,

--

Jael Holzman (*she/her*)
Mining Reporter, E&E News
Phone: +1 301-452-7385
Twitter: [@jholz__](https://twitter.com/jholz__)